

Talking Points
Gulf Coast Business Council
Wednesday, March 5, 2009
Gulfport

Opening

We have come a long way together recovering from the worst natural disaster in American history.

Thank you for your commitment and hard work as we have implemented recovery programs on an unprecedented scale.

I wish I could tell you the job is finished, but as we all know – the job isn't finished.

In the early hours after Katrina made landfall we hitched up our britches and went to work. Now is the time to buckle down and finish the job.

Housing

Recovery has touched most aspects of life on the Gulf Coast, chief among them – housing.

We've just concluded a comprehensive housing study showing that housing stock recovery is strong and what we have in the pipeline will result in more housing by 2011 than existed pre-Katrina.

The study shows a need for additional housing in Jackson County and a few other targeted areas and a need for deeper affordability. We have resources available to address these needs and are currently reviewing solutions.

My Gulf Coast Housing Director, Gerald Blessey, is doing a great job. Gerald, thank you for all you continue to do for housing recovery.

I want to thank those of you that have shown true leadership in allowing cottages to remain permanently in your communities where appropriate. They are an important tool in addressing affordable housing needs.

Jobs

As we continue to push for housing recovery, we must also continue our efforts to create jobs. Now more than ever it is important to diversify the Gulf Coast economy. Projects such as the Port redevelopment have an added sense of urgency and importance.

As you know, the President just signed a \$787 billion stimulus bill. The Administration has touted the job creating infrastructure funding.

(START POWERPOINT)

(Slide 1)

In truth, we've had a stimulus program going here on the Gulf Coast since 2005, and what's left is almost equal to the total amount the State will receive from President Obama's stimulus bill.

(Slide 2)

Nearly \$2.8 billion remains in major Katrina rebuilding programs, including FEMA Public Assistance, CDBG Community Revitalization, Regional Water/Wastewater Infrastructure, the Port of Gulfport, and Hancock County Long Term Recovery.

We have a unique opportunity on the Gulf Coast to stimulate the economy and we must take advantage of it.

We must re-double our efforts to get infrastructure projects under construction this calendar year.

(Slide 3)

The revenue generated and jobs created will have an incredible impact on your local economies and the state economy.

(Slide 4)

We all know the difficulties we have faced to get to this point. Cutting through the red tape involved in the federal funding has been a monumental task. Federal funding does not come without its challenges. Between environmental and Stafford Act regulations it is not easy to get projects to construction.

Just yesterday, I was in Washington D.C. meeting with the new Secretary of HUD, Shaun Donovan, and a few weeks ago I met with the new Secretary of Homeland Security, Janet Napolitano. I requested these meetings to enlist their partnership in this effort.

I brought my executive team here today. Mike Womack, MEMA; Jon Mabry, MDA Disaster Recovery; Trudy Fisher, DEQ; Gerald Blessey, Gulf Coast Housing Director, and Jack Norris, Director of my Recovery Office. Also, my guys on the ground, Ashley Edwards and Kenneth Yarrow are here.

I have instructed my team to light a fire under the process and I strongly encourage you to do the same. As I told my team, "It is time to turn momma's picture to the wall."

As the slides show, opportunity lies in our CDBG and FEMA Public Assistance projects.

As you can see on the FEMA Public Assistance slides, of the \$2.8 billion in FEMA Public Assistance obligated to the State, \$1.6

billion has been expended. \$1.2 billion, 43%, is tied up in some phase of the process.

(Slide 5)

As you know all too well, many of these projects are stuck because of disagreements with FEMA over the eligible amounts FEMA will pay for.

I discussed this issue with Secretary Napolitano, and I can tell you that resolving outstanding Public Assistance issues is a priority for her, too.

It is time to resolve these issues. There are going to be projects that we appeal, but there will also be cases that you will have to compromise.

(Slide 6)

The next slides show the status of our CDBG Community Revitalization and Regional Water and Sewer Infrastructure Programs. Most of these projects have cleared environmental reviews and are ready to go.

As the Community Revitalization pie chart indicates, roughly 7% has been drawn down. These projects were awarded in 2007. We can - we have to - do better.

While on paper most Community Revitalization projects are scheduled for construction this year, many in the next few months, I urge you not to let them slip.

(Slide 7)

Many public officials along the Gulf Coast received a letter from me last week in which I told them of my mandate that all Community Revitalization projects must be under construction by September 1.

I am very serious about what I said – Community Revitalization projects that are not under construction by September 1 will be considered for deobligation so we can move the funding to other projects that are ready.

(Slide 8)

Regional Water and Sewer Infrastructure – roughly 8% of program funds have been spent.

These projects have been in the conceptual design process at DEQ, and have undergone environmental reviews.

With those steps now complete, these projects are now ready to move forward with construction, and some of them have.

Closing

(Slide 9)

(A pie chart with the total amount for Public Assistance, Community Revitalization, and Regional Water/Wastewater programs *remaining* and a bite out for the total *expended*.)

(Slide 10)

(Katrina Recovery: Gulf Coast Stimulus)
(It's time to finish the job)

As I said at the beginning, it's time to buckle down and finish the job.

The very future of our beautiful Gulf Coast depends on us.

